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NSC BRIEFING

12 August 1954

CHINA FLOOD

- I. Chinese Communists now admit flood damage amounts to major disaster.
 - A. Before, insisted things under control, damage slight.
 - B. Now admit 6% China's cultivated land flooded--this some 23,000 square miles, nearly size Indiana.
 - C. Most in rice-rich Central
 China; normally grows over
 10% China's food.
- II. Peiping genuinely surprised.
 - A. Fooled by temporary Yangtze drop at Hankow--late July.

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But river rose again: by 10

August, all-time record

height--57 feet (previous

high, in 1931 flood, 53-1/2

feet). by 12 heart, 5/ inches about

- III. 1931 flood worst in modern Chinese history.
 - A. Affected an area of 95,000 square miles: did US \$1.3 billion damage.
 - B. Washed out millions in cities, also 25 million farmers.
 - IV. Present food purchases abroad insufficient to meet disaster.

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- C. Moreover, Peiping committed to export 270,000 tons rice to Ceylon for rubber; 200,000 tons to USSR.
- V. Peiping's public admission flood damage suggests might now welcome foreign relief.

C. Soviet aid likely: Pravda first noted flood on 9

D. Péipine's prestige in Orbit; Sino-Soviet "friendship" make gesture necessary.

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- VI. Also precedent for Communist acceptance Western relief.
 - A. East Germany, Hungary have accepted US flood relief,
 Rumania politely declined,
 Czechoslovakia has not replied.
 Hungary also accepted Dutch offer of 50,000 guilders
 (US \$13,000).
 - B. East German propaganda plays acceptance of US offer as expression policy of "furthering...international understanding."
- VII. Peiping's position more awkward re possible US offer.
 - A. Has always denied possibility of "genuine friendly aid"

 from US.

- Internal program relies more В. heavily on anti-American propaganda than do Satellites.
- Would certainly prefer aid from Orbit, Asian "neutrals" or other recognizing states.